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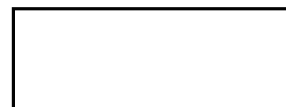
26 APR 1974

MEMORANDUM FOR: Deputy Director for Management and Services
SUBJECT : Activity Report - Office of Finance

1. The following is a summary of certain significant activities of the Office of Finance for the week ended 26 April 1974:

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a. Finance Conference. The following observations and statistics in connection with the Finance Conference held [] last week may be of interest. Nearly 300 employees, including some support and planning officers and Auditors, were in attendance for Mr. Colby's opening address in the Auditorium. A total of 257 Finance Careerists attended at least one of the sessions [] with daily attendance as follows: Wednesday - 162, Thursday - 186, and Friday - 98. Informal comments by many of our Careerists indicated that they found the Conference highly informative and useful to them in their day to day work. Particular appreciation was consistently expressed for the substantive content of the presentations made by the guest speakers from top management levels and for the frank and candid manner in which questions were answered.

b. Fair Labor Standards Act. The Fair Labor Standards Amendments of 1974 will bring many Agency employees under the purview of the Fair Labor Standards Act (FLSA) on May 1, 1974. The primary import of the change will be on employee reimbursement entitlements for overtime; under FLSA all premium pay entitlements other than overtime, such as night differential, Sunday Pay, etc., enter into the base rate on which the overtime is computed and only time actually worked in excess of 40 hours in a week is eligible for reimbursement. Each of these rules is different than the statutory



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rules for Federal employees. Agency employees who are not exempted from this Act will be entitled to the higher of their pay entitlements under FLSA or under the Agency pay system. This will necessitate dual computation on a weekly basis as distinguished from the present bi-weekly basis. We are currently discussing with Office of Personnel procedures for designating our employees who are not exempted from the FLSA. It is apparent that the FLSA requirements cannot be accommodated by our automated bi-weekly pay system without massive and time consuming system alterations. We are exploring various options as to courses of action to implement the new requirements on as timely a basis as feasible in as cost effective a manner as possible.

c. Retroactive Pay Adjustment. Compensation and Tax Division has received the advance copy of Civil Service Commission Bulletin 531-66 providing guidelines for the retroactive pay for the period October 1972 to January 1973. As expected, these guidelines require that pay must be recomputed for every person who was employed as a General Schedule (GS) or similar administratively determined pay rate position for any portion of the retroactive period. Recomputation of all pay, allowances, and differential entitlements and appropriate deductions will be required. Recomputation of retirement pay and deductions will also be required. We are obligated to try to trace former employees or survivors of deceased employees in order to make any retroactive payments that are due. Compensation and Tax Division representatives will continue discussions with OJCS and Office of Personnel representatives to firm up action plans for the mammoth task of making these payments. It is still too early to realistically estimate when payments will be made. 25X1

e. Comptroller Briefing. Messrs. Yale and Fitzwater and members of their staffs met with the Comptroller and his staff to brief them on the time and accuracy factors

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as they relate to the preparation of all computer generated financial reports.

f. AMA Data Base Course. Mr. [] of Analysis Branch attended the Data Base Course, a three day presentation, at the American Management Association in New York. The course, taught by executives of Performance Development Corporation, covered both techniques of Data Base files design and structure, and Data Base management. 25X1 25X1

Thomas B. Yale
Director of Finance

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